GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1905
ANSWERED ON:05.08.2005
CURRENCY HANDLING MACHINE
Bishnoi Shri Kuldeep

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that most of the banks have not equipped themselves with proper and adequate number of currency note handling machines in order to check re-circulation of non-issuable currency notes;

(b) if so, the reasons therefor; and

(c) the concrete steps taken by the Government to ensure that non-issuable notes are sent back to the Reserve Bank of India for eventual disposal ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b):- Reserve Bank of India (RBI) have reported that all banks maintaining currency chests have been advised to provide note sorting machines of appropriate capacity at all the currency chest branches in a time-bound manner. Banks with up to 100 currency chests were required to install note sorting machines at all their currency chests by the end of May 2005 and banks having more than 100 currency chests are required to provide such machines by the end of November, 2005.

(c):- Even now also the currency chests are expected to duly sort the banknotes into reissuable and non-issuable and send only the non-issuable banknotes to RBI for eventual disposal & destruction. The installation of currency sorting machines will further facilitate faster and smoother processing and sorting.